

November 1, 2005

Mary F. Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Proposed Rule Section 741.6

Dear Ms. Rupp:

Navy Federal Credit Union provides the following comments in response to the National Credit Union Administration's proposed changes to NCUA Rules Section 741.6.

Navy Federal supports NCUA's proposal to use one Form 5300 for all credit unions. We agree with NCUA that the use of a single form will improve overall efficiency and reduce costs at the Agency. We also believe that use of a single form will make comparisons easier between credit unions of all asset sizes, improve NCUA's quarterly trend analysis, simplify maintenance of the 5300 reporting system at the Agency, and increase the accuracy of the information collected.

Navy Federal also supports NCUA's ongoing process to make the Form 5300 as streamlined as possible. We agree with NCUA that the draft revisions to Form 5300 represent improvements. However, we encourage NCUA to continue streamlining the form by identifying the essential information necessary to effectively regulate all credit unions and using that information to guide future revisions.

Although we agree that the draft form is an improvement over the current form, we believe that use of the draft form will increase the paperwork burden on small credit unions. It is our understanding that small credit unions will not only have to complete two additional pages but will also have to provide significantly more data in the remaining eight pages. Therefore, before requiring use of the new form, we encourage NCUA to give small credit unions ample time to prepare the additional data.

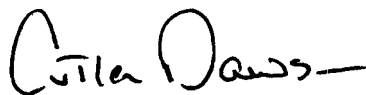
In addition, it is important for all credit unions, regardless of asset size, that NCUA allow sufficient time before requiring use of the new form. The draft Form 5300 is substantially different from the current Form 5300 and credit unions will need time to prepare to report in the revised format. If the new form is approved and made available to all credit unions before the

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end of 2005, we support NCUA's proposed implementation date of September 2006. If the new form is not available until 2006, we oppose requiring use of the form prior to first quarter 2007.

Navy Federal appreciates the opportunity to comment on NCUA's proposed changes to Section 741.6.

Sincerely,

A handwritten signature in black ink, appearing to read "Cutler Dawson", followed by a horizontal line.

Cutler Dawson
President/CEO

CD/sb